

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant /X/
Filed by a Party other than the Registrant / /

Check the appropriate box:

- / / Preliminary Proxy Statement
- / / Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- /X/ Definitive Proxy Statement
- / / Definitive Additional Materials
- / / Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

LAWSON PRODUCTS, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- /X/ \$125 per Exchange Act Rules 0-11(c)(1)(ii), 14a-6(i)(1), 14a-6(i)(2) or Item 22(a)(2) of Schedule 14A.
- / / \$500 per each party to the controversy pursuant to Exchange Act Rule 14a-6(i)(3).
- / / Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.
 - 1) Title of each class of securities to which transaction applies:

 - 2) Aggregate number of securities to which transaction applies:

 - 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

 - 4) Proposed maximum aggregate value of transaction:

 - 5) Total fee paid:

- / / Fee paid previously with preliminary materials.
- / / Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
 - 1) Amount Previously Paid:

 - 2) Form, Schedule or Registration Statement No.:

 - 3) Filing Party:

 - 4) Date Filed:

[LOGO]

LAWSON PRODUCTS, INC.
1666 EAST TOUHY AVENUE
DES PLAINES, ILLINOIS 60018

NOTICE OF ANNUAL MEETING
OF STOCKHOLDERS
May 9, 1995

TO THE STOCKHOLDERS:

You are cordially invited to attend the annual meeting of stockholders of Lawson Products, Inc., which will be held at the offices of the Company, 1666 East Touhy Avenue, Des Plaines, Illinois, on Tuesday, May 9, 1995, at 10:00 A.M. (Local Time) for the following purposes:

- (1) To elect two directors to serve three years.
- (2) To transact such other business as may properly come before the meeting or any adjournment thereof.

The Board of Directors has fixed the close of business on March 28, 1995, as the record date for the determination of stockholders entitled to notice of and to vote at the meeting. Accompanying this notice is a form of proxy, a Proxy Statement and a copy of the Company's 1994 Annual Report.

EVEN IF YOU EXPECT TO ATTEND THE MEETING IN PERSON, PLEASE SIGN AND RETURN THE ENCLOSED PROXY IN THE ENVELOPE PROVIDED SO THAT YOUR SHARES MAY BE VOTED AT THE MEETING. IF YOU EXECUTE A PROXY, YOU STILL MAY ATTEND THE MEETING AND VOTE IN PERSON.

By Order of the Board of Directors

Robert J. Washlow
SECRETARY

Des Plaines, Illinois
April 7, 1995

[LOGO]

LAWSON PRODUCTS, INC.
1666 EAST TOUHY AVENUE
DES PLAINES, ILLINOIS 60018

PROXY STATEMENT
ANNUAL MEETING OF STOCKHOLDERS
May 9, 1995

This Proxy Statement is being sent to stockholders on or about April 7, 1995, in connection with the solicitation of the accompanying proxy by the Board of Directors of the Company. Only stockholders of record at the close of business on March 28, 1995, are entitled to notice of and to vote at the meeting. The Company has retained Morrow & Co., Inc., a firm specializing in the solicitation of proxies, to assist in the solicitation at a fee estimated to be \$3,500 plus expenses. Officers of the Company may make additional solicitations in person or by telephone. Expenses incurred in the solicitation of proxies will be borne by the Company. If the accompanying form of proxy is executed and returned in time, the shares represented thereby will be voted, but the proxy may be revoked at any time prior to its exercise by execution of a later dated proxy or by voting in person at the annual meeting.

As of March 28, 1995, the Company had outstanding 12,351,314 shares of Common Stock and such shares are the only shares entitled to vote at the annual meeting. Each holder of Common Stock is entitled to one vote per share on all matters to come before the meeting.

ELECTION OF DIRECTORS

The By-Laws of the Company provide that the Board of Directors shall consist of such number of members, between five and nine, as the Board of Directors determines from time to time. The size of the Board is currently set at nine members. However, Thomas W. Smith has advised the Company that he is retiring as a director effective May 9, 1995. As a result of Mr. Smith's retirement, the Board of Directors amended the Company's By-Laws, effective as of May 9, 1995, by reducing the number of directors from nine to eight. The Board is divided into three classes, with one class being elected each year for a three-year term. At the meeting, two directors are to be elected to serve until 1998.

Stockholders are entitled to cumulative voting in the election of directors. Under cumulative voting, each stockholder is entitled to that number of votes equal to the number of directors to be elected, multiplied by the number of shares he owns, and he may cast his votes for one nominee or distribute them in any manner he chooses among any number of nominees. Unless otherwise indicated on the proxy card, votes may, in the discretion of the proxies, be equally or unequally allocated among the nominees named below. Directors will be elected by a plurality of the votes cast at the meeting by the holders of shares represented in person or by proxy. Thus, assuming a quorum is present, the two persons receiving the greatest number of votes will be elected as directors and votes that are withheld will have no effect. For purposes of the meeting, a quorum means a majority of the outstanding shares. In determining whether a quorum exists, all shares represented in person or by proxy will be counted.

It is intended that the named proxies will vote in favor of the election as directors of the nominees listed below, except as otherwise indicated on the proxy form. If any nominee should become unavailable for election as a director (which is not contemplated), the proxies will have discretionary authority to vote for a substitute. In the absence of a specific direction from the shareholders, proxies will be voted for the election of all named director nominees.

The following information has been furnished by the respective nominees and continuing directors:

NAME	AGE	PRINCIPAL OCCUPATION	YEAR FIRST ELECTED DIRECTOR

NOMINEES TO BE ELECTED TO SERVE UNTIL 1998			
Bernard Kalish.....	57	Chairman of the Board and Chief Executive Officer of the Company	1983
Sidney L. Port.....	84	Chairman of the Executive Committee of the Company	1953
DIRECTORS WHOSE TERMS EXPIRE IN 1997			
James T. Brophy.....	67	Private Investor	1971
Louis L. Carrol.....	72	Retired Senior Executive Vice President -- Corporate Sales and Development of the Company	1986
Jerome Shaffer.....	67	Vice President and Treasurer of the Company	1989
DIRECTORS WHOSE TERMS EXPIRE IN 1996			
Ronald B. Port, M.D.....	54	Physician	1984
Robert G. Rettig.....	65	Consultant	1989
Peter G. Smith.....	56	President and Chief Operating Officer of the Company	1985

- - - The Executive Committee, the members of which are Sidney L. Port, Bernard Kalish and Peter G. Smith, has all of the authority of the Board of Directors between Board meetings, except to declare a dividend, authorize the issuance of stock, amend the By-Laws or take action relating to certain fundamental corporate changes.
- - - The Audit Committee, the members of which are James T. Brophy, Robert G. Rettig, Ronald B. Port, M.D. and Thomas W. Smith, reviews the scope and results of the audit by the Company's independent auditors and reviews the Company's procedures for monitoring internal accounting controls.
- - - The Compensation Committee, the members of which are James T. Brophy, Robert G. Rettig and Thomas W. Smith, makes all determinations with respect to the compensation of the Chairman of the Board and establishes general compensation policies with respect to all other executive officers of the Company.
- - - The Nominating Committee, the members of which are James T. Brophy, Robert G. Rettig and Thomas W. Smith, reviews and recommends potential directors to the Board of Directors.
- - - Because of his substantial stockholdings, Sidney L. Port may be deemed to be a control person of the Company. See "Securities Beneficially Owned by Principal Stockholders and Management."
- - - Ronald B. Port, M.D. is the son of Sidney L. Port.
- - - Each nominee and continuing director has held the indicated position, or an executive position with the same employer, for at least the past five years.

In 1994, the Board of Directors held four meetings, the Compensation Committee held two meetings, the Audit Committee held one meeting and the Nominating Committee did not meet. During 1994, each director attended at least 75% of the aggregate of the number of meetings of the Board and the respective committees on which he served. The Executive Committee did not meet, as matters typically dealt with by this Committee were considered by the full Board of Directors. Directors who are not employees of the Company receive directors' fees of \$12,000 annually.

SECURITIES BENEFICIALLY OWNED BY PRINCIPAL STOCKHOLDERS AND MANAGEMENT

Set forth below, as of March 1, 1995 (unless otherwise indicated), are the beneficial holdings of: each person known by the Company to own beneficially more than 5% of the outstanding shares of Common Stock of the Company, each director, the executive officers listed on the Summary Compensation Table below, and all executive officers and directors as a group.

NAME	SOLE VOTING OR DISPOSITIVE POWER(1)(2)	SHARED VOTING OR DISPOSITIVE POWER	PERCENT OF CLASS AT MARCH 1, 1995
Sidney L. Port..... 1040 Lake Shore Drive Chicago, Illinois	3,604,532	--	29.0%
Bettie (Mrs. Sidney L.) Port..... 1040 Lake Shore Drive Chicago, Illinois	1,421,802	--	11.4%
Hugh Allen.....	4,750	--	*
James T. Brophy.....	1,150	--	*
Louis L. Carrol.....	6,000	--	*
Bernard Kalish.....	11,600	--	*
Ronald B. Port, M.D.....	15,915	--	*
Robert G. Rettig.....	500	--	*
Jerome Shaffer.....	18,333	2,530	*
Peter G. Smith.....	8,550	10,511	*
Thomas W. Smith.....	--	30,000	*
All executive officers and directors as a group (13 persons).....	3,686,123	45,907	30.0%

* Less than 1%.

(1) Does not include certain shares held by wives and/or minor children (or trusts for their benefit) in the case of Mr. Brophy (725 shares), Mr. Carrol (1,400 shares), Mr. Kalish (11,030 shares), Dr. Port (67,215 shares), Mr. Shaffer (725 shares) and all executive officers and directors as a group (81,195 shares).

(2) Stockholdings shown include shares issuable upon the exercise of stock options exercisable within 60 days by Mr. Allen (2,500 shares), Mr. Carrol (5,000 shares), Mr. Kalish (10,000 shares), Mr. Shaffer (5,000 shares) Mr. Peter Smith (7,750 shares) and all executive officers and directors as a group (38,000 shares).

REMUNERATION OF EXECUTIVE OFFICERS

SUMMARY COMPENSATION TABLE

The table below sets forth certain information concerning the annual and long-term compensation for services in all capacities to the Company for the fiscal years ended December 31, 1994, 1993 and 1992, of those persons who were, at December 31, 1994 (i) the chief executive officer, and (ii) the other four most highly compensated executive officers of the Company (the "Named Officers").

NAME AND PRINCIPAL POSITION	YEAR	ANNUAL COMPENSATION		LONG-TERM COMPENSATION	ALL OTHER COMPENSATION(2)
		SALARY	BONUS	SECURITIES UNDERLYING OPTIONS(1)	

Bernard Kalish	1994	\$309,141	--	--	\$ 14,250
CHAIRMAN OF THE BOARD AND	1993	290,399	--	--	20,636
CHIEF EXECUTIVE OFFICER	1992	266,070	--	--	16,592

Sidney L. Port	1994	273,215	--	--	14,250
CHAIRMAN OF THE EXECUTIVE COMMITTEE	1993	252,825	--	--	20,636
	1992	250,000	--	--	16,592

Peter G. Smith	1994	259,864	--	--	14,250
PRESIDENT AND CHIEF OPERATING OFFICER	1993	238,838	--	--	20,422
	1992	229,362	--	--	16,496

Hugh Allen	1994	192,321	--	--	14,250
EXECUTIVE VICE-PRESIDENT --	1993	186,543	--	--	12,992
SALES AND MARKETING	1992	177,537	--	--	9,940

Jerome Shaffer	1994	186,956	--	--	14,250
VICE PRESIDENT AND	1993	177,312	--	--	14,372
TREASURER	1992	162,070	--	--	10,817

(1) The Company has not issued stock appreciation rights or restricted stock awards to the Named Officers and does not have any "long-term incentive plans" as that term is defined in the applicable rules.

(2) These amounts represent the Company's contribution as accrued to the Company's Profit Sharing Plan.

No options were granted by the Company to the Named Officers in the fiscal year ended December 31, 1994. The following table summarizes option exercises during such fiscal year by the Named Officers and the value of the options held by such persons at the end of such fiscal year.

AGGREGATE OF OPTIONS EXERCISED IN 1994
AND OPTION VALUES AT DECEMBER 31, 1994

NAME	SHARES ACQUIRED ON EXERCISE	VALUE REALIZED	NUMBER OF UNEXERCISED OPTIONS AT DECEMBER 31, 1994	VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT DECEMBER 31, 1994(1)
			EXERCISABLE/ UNEXERCISABLE	EXERCISABLE/ UNEXERCISABLE
Bernard Kalish.....	775	\$ 10,416	10,000/0	\$ 0/0
Peter G. Smith.....	--	--	7,750/0	0/0
Hugh Allen.....	--	--	2,500/0	0/0
Jerome Shaffer.....	2,800	35,532	5,000/0	0/0

(1) Based on the closing price of the Company's Common Stock as reported on the NASDAQ National Market System on December 31, 1994.

EMPLOYMENT CONTRACTS

Mr. Kalish is employed under a contract, expiring in 1996, pursuant to which he will receive a minimum salary of \$309,954 for 1995. The contract provides for annual increases of not less than 5% and for salary continuation during incapacity and for two years after death.

Under the terms of a salary continuation agreement, in the event of Mr. Port's death while employed by the Company, the Company will continue his salary for two years thereafter.

Mr. Peter Smith is employed under a contract pursuant to which he will receive a minimum salary of \$262,836 for 1995. Upon the expiration of two years prior written notice, the contract is cancellable by either party. The contract provides for salary increases from time to time and salary continuation during incapacity and for one year after death.

Mr. Allen is employed under a contract pursuant to which he will receive a minimum salary of \$191,000 for 1995. Upon the expiration of two years prior written notice, the contract is cancellable by either party. The contract provides for salary increases from time to time and salary continuation during incapacity and for one year after death.

Mr. Shaffer is employed under a contract pursuant to which he will receive a minimum salary of \$192,938 for 1995. Upon the expiration of two years prior written notice, the contract is cancellable by either party. The contract provides for salary increases from time to time and salary continuation during incapacity and for one year after death.

REPORT OF THE COMPENSATION COMMITTEE
AS TO COMPENSATION MATTERS

OVERVIEW

The objectives of the Compensation Committee in establishing executive compensation are to provide compensation that will both attract and retain superior talent and align the interests of the Company's executive officers with the financial success of the Company. The criteria used to determine the compensation of the Chief Executive Officer are also used in determining compensation for the other executive officers.

EXECUTIVE OFFICER COMPENSATION PROGRAM

The Company's executive officer compensation program is comprised of base salary, long-term incentive compensation (in the form of stock options) and various benefits, including medical and profit sharing plans, generally available to employees of the Company.

BASE SALARY. Base salary for the executive officers was set pursuant to employment agreements described elsewhere in this proxy statement. In setting these compensation levels, the Board of Directors considered a variety of factors, including competitive market levels, levels of responsibility as well as the unique abilities and individual experience and performance of each officer. In addition, certain of the employment agreements provide for discretionary increases in base salary. Generally, these salary increases are determined annually and correspond to increases in the consumer price index.

STOCK OPTION PROGRAM. The Company's long-term incentive based compensation program is achieved principally through the Lawson Products, Inc. Incentive Stock Plan under which stock options (both nonqualified and incentive), stock appreciation rights, stock purchase agreements and stock awards may be issued to officers and key employees. The objectives of the Plan are to align executive and stockholder long-term interests by creating a link between executive compensation and stockholder return and to enable executives and other key employees to develop and maintain a long-term stock ownership position in the Company. Under the Company's plan, the Compensation Committee determines the identity of recipients and the amount of benefits to be received by each recipient. Generally, options are granted at an exercise price equal to the fair market value of the Company's common stock on the date of grant and have ten year terms.

OTHER BENEFITS. The Company maintains a Profit Sharing Plan and Executive Deferral Plan and also provides a variety of other benefits that are generally available to Company employees.

James T. Brophy
Robert G. Rettig
Thomas W. Smith

STOCK PRICE PERFORMANCE CHART

Set forth below is a line graph comparing the yearly percentage change in the cumulative total stockholder return on the Company's Common Stock against the cumulative total return of the Dow Jones Equity Market Index and the Dow Jones Industrial Diversified Index for the five prior fiscal years.

EDGAR REPRESENTATION OF DATA POINTS USED IN PRINTED GRAPHIC

	LAWSON PRODUCTS	DOW JONES EQUITY MARKET	DOW JONES INDUSTRIAL
1989	100.00	100.00	100.00
1990	130.69	96.07	92.95
1991	119.93	127.24	115.09
1992	117.15	138.19	133.93
1993	136.74	151.93	163.65
1994	124.93	153.10	150.10

Assumes that the value of the investment in Lawson's Common Stock and each index was \$100 on December 31, 1989 and that all dividends were reinvested.

INDEPENDENT AUDITORS

The Board of Directors has reappointed Ernst & Young LLP as independent auditors to audit the financial statements of the Company for 1995. Representatives of Ernst & Young LLP are expected to be present at the annual meeting and will be given the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions.

PROPOSALS OF SECURITY HOLDERS

A stockholder proposal to be presented at the 1996 annual meeting must be received at the Company's executive offices, 1666 East Touhy Avenue, Des Plaines, Illinois 60018, by no later than December 7, 1995, for evaluation as to inclusion in the Proxy Statement in connection with such meeting.

OTHER MATTERS

The Board of Directors knows of no other matters which may be presented for action at the meeting. However, if any other matter properly comes before the meeting, the persons named in the proxy form enclosed will vote in accordance with their judgment upon such matter.

Stockholders are urged to execute and return promptly the enclosed form of proxy in the envelope provided.

By Order of the Board of Directors
Robert J. Washlow
SECRETARY

April 7, 1995

LAWSON PRODUCTS, INC.
DES PLAINES, ILLINOIS

PROXY/VOTING INSTRUCTION CARD

THIS PROXY SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS FOR THE ANNUAL MEETING
ON MAY 9, 1995.

The undersigned hereby makes, constitutes and appoints Sidney L. Port and
Bernard Kalish, and each of them, proxies for the undersigned, with full power
of substitution, to vote on behalf of the undersigned at the Annual Meeting of
Stockholders of Lawson Products, Inc., to be held at the offices of the Company,
1666 East Touhy Avenue, Des Plaines, Illinois, on May 9, 1995, at 10:00 A.M.
(Local Time), or any adjournment thereof.

INSTRUCTION: Unless otherwise specified in the space provided below this proxy
shall authorize the proxies named herein to cumulate all votes which the
undersigned is entitled to cast at the annual meeting, and to allocate such
votes, in their discretion, among one or more of the nominees listed on the
opposite side of this proxy as such proxies shall determine. To specify a
different method of cumulative voting, write "Culmulate For" and the number of
Shares and the name(s) of the nominee(s) in the space provided below.

YOU ARE ENCOURAGED TO SPECIFY YOUR CHOICES BY MARKING THE APPROPRIATE BOXES (SEE
REVERSE SIDE) BUT YOU NEED NOT MARK ANY BOXES IF YOU WISH TO VOTE IN ACCORDANCE
WITH THE BOARD OF DIRECTORS' RECOMMENDATIONS.

(Continued and to be signed on other side)

/X/ Please mark your vote(s) as in this example.

THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED BY THE UNDERSIGNED STOCKHOLDER(S). IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION AS DIRECTORS OF NOMINEES LISTED.

The Board of Directors recommends a vote FOR Proposal 1.

For

1. Election of Directors / /

Nominees:
Bernard Kalish
and
Sidney L. Port

Withheld as to all Nominees / /

(Instruction: To withhold authority to vote for any individual nominee, mark the "FOR" box and write the name of each such nominee in the space provided below.)

2. In their discretion on any other matter that may properly come before the meeting or any adjournment thereof.

The undersigned hereby revokes any proxy heretofore given and confirms all that said proxies, or any of them, or any substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

(Owner's Signature-Sign exactly as name appears hereon.)

_____, DATE _____, 1995

Note: Please date and sign as name appears hereon. If shares are held jointly or by two or more persons, each stockholder named should sign. Attorneys, executors, administrators, trustees, guardians and others signing in a representative capacity should indicate the capacity in which they sign. If the signer is a corporation, please sign full corporate name by duly authorized officer. If a partnership, please sign in partnership name by authorized person.